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Memorandum of points discussed with the Hon'ble Sir A. Ramaswami Mudaliar, Supply Member to the Government of India, on Monday the 23rd August 1943 at Mysore, and Wednesday the 25th August, at Bangalore.

Sir Ramaswamy Mudaliar suggested that it would be desirabl for us to have a committee or body that would keep in close touch and have liaison with the Board of Scientific and Industrial Research of the Government of India, so that the State might derive fully the benefit of the work of the Board and there might be no overlapping of research or investigation work

I discussed this later with Sir J.C. Ghosh and Sir A.R. Mudaliar when it was ~~decided~~ felt that the best plan would be to constitute a Sub-Committee of the Board of Industries and Commerce, to be called the Committee of Industrial and Scientif Research, Mysore, and arrange for its liaison with the Central Board. Sir J.C. Ghosh (who is on the Central Board) kindly agreed to make detailed proposals in this matter.

2. Supply of Rectified Spirit.

This was discussed with the Chairman of the Mysore Sugar Company, who referred to the correspondence that his Company has had with the Hospet Sugar Company, regarding supply of Molasses from the latter. After scrutiny of the papers and discussions, it was decided (i) that the Mysore Sugar Company had lost its right to enforce its contract with the Hospet Suga Company by writing, later, acquiescing in the compromise suggested by the Personal Assistant to the Controller of Supplies, Madras (ii) that the Mysore Sugar Company would supply 45,000 galls. off-season rectified spirit, if Hospet Molasses were made available to it, and (iii) that in any case the Mysore Sugar Company would have to make supplies of rectified spirit from it own molasses from September onwards as per contract.

3. Supply of Tangadi or Avaram Bark for tanning purposes.

The possibility of increasing the collection and supply of Tangadi Bark and other indigenous tanning barks with a view to avoiding the importation of wattle bark (from South Africa) was discussed.

Reference was made to a note dated 10-3-43 put up by me at Delhi on the subject. Sir A.Ramaswami Mudaliar was glad that the point had already been raised and said that the need for the discontinuance of imports of wattle bark and the substitution of indigenous materials had become more urgent by the action recently taken by the South African Government with respect to India and the retaliatory measures that were under consideration.

Although a figure of 11,000 tons of Avaram Bark is mentioned in a publication ("Survey of Forest Products in Mysore") as having been extracted from the Mysore Forests in the year 1917, enquiries made of the Forest Department from Mysore indicated that the Department has no figures of annual yield and collection or of value. A figure of about 2500 tons a year for the State was given by the Personal Assistant to the Chief Conservator of Forests over the phone. Sir Ramaswami Mudaliar thought that this might be an under-estimate. He also felt that, as the bark had not been fully exploited during the past several years, there might be larger yields in the immediate future if the extraction was extensively and vigorously attempted. The Forest Department is unable to give any accurate information as to the price at which the Avaram collected by the contractors in the Mysore State is sold. It is estimated that the contractors' collection charges could not be much in excess of about 4 annas a maund of 28 lbs. It is learnt that in the Mysore Division, the bark is sold by the Government at 4 to 5 maunds a rupee, but the retail rate at which Tangadi is sold in this Division is Rs.1-11-0 per maund or Rs.135/- a ton.

It has since been ascertained from Mr. Abdul Jabbar that the contractors feel ~~confident~~ that they would be able to collect about ~~10,000~~ 5000 tons of Tangadi and Wattle barks per year, if intensive work is done. Mr. Jabbar also mentioned that a price of Rs.85/- per ton might be reasonable. This will work out to an equivalent of Rs.85 x 3 or Rs.255/- per ton of Wattle bark.

As Tangadi bark has only about one-third of the tanning content of wattle bark, this retail price of Rs.135 per ton equates to Rs.400 per ton of Wattle bark, while the Supply Department's issue price of imported Wattle bark is Rs.160 per ton. But the price of Rs.1-11-0 per maund is only a retail price. The wholesale price, especially if collections are made on an extensive scale should be far less.

There are also other indigenous barks like Kakke and Babul which can be used as substitutes for Wattle.

Sir Ramaswami Mudaliar observed that he would be very glad if we could arrange ~~departmentally~~ for the organized collection of these barks, for supply to the Government of India and indicate approximately the quantity that could be supplied and the price per ton. He agreed that, in the present circumstances, price was not an important consideration. He also agreed that we would be perfectly justified in expecting some assurance of continuity of off-take and of protection from later competition from imported barks like Wattle.

It was pointed out to him that some experiments had been conducted in the Indian Institute of Science and probably in the Industrial and Testing Laboratory, in extracting and concentrating the tanning agent present in Tangadi bark. He suggested that this matter might be pursued and requested that he might be informed of the stage at which the matter stood.

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4. Duplication of the Ammonia Plant at Belagula.

Vide note attached. (will follow.)

It was pointed out to Sir Ramaswami Mudaliar that the duplication was recognised as necessary for the War Effort and supported by the Supply Department and its several Committees, and that just at present the matter was getting delayed by correspondence about some variation in the weight of the equipment to be imported. Sir Ramaswami Mudaliar agreed that the question of weight was of little consequence when the scheme had been recognised as deserving of Priority assistance under Lease/Lend, and promised to take the matter up.

5. Chloramine T. for anti-gas ointment.

Vide note attached.

It was explained that the manufacture of this product had been pursued at the instance of the Controller of Supplies, Madras, for over two years at Belagula and that the production of it had been established and an experimental order had been successfully completed. A further order for 250 tons had been under negotiation and correspondence for the past several months but there had been a great deal of bargaining about the prices. The Mysore Chemicals and Fertilisers had reduced their original quotation of Rs.40 per lb. to Rs.26 per lb. and later to Rs.19/8/- per lb. subject to a further rebate on economies that might result from the Sodium Salt process, which brought the final quotation to about Rs.16/8/- nett. These reductions were made as a result of possible economies pointed out by Dr. Shah, the Government of India's Chemist stationed at Belagula, with whom the matter had been fully discussed. The Supply Department had however been referring to a quotation of Rs.7/8/- per lb. which was said to be the British price of the article.

Sir Ramaswami Mudaliar agreed that the British price, even if verified to be correct, was hardly a criterion in a case of this kind where production was being established for the first

time in India of a chemical which was admittedly difficult to produce. He hoped to be able to settle this question very early.

6. Formaldehyde.

Sir Ramaswami Mudaliar was eager to know what had been done with regard to supplies of this chemical to the Supply Department. The telegram recently sent to Mr. Targett in this connection was shown to him.

7. Acetic Acid.

The story of the negotiations regarding the supply of Acetic Acid from Bhadravati was related to Sir Ramaswami Mudaliar. The present position is that Bhadravati has offered to make and supply Acetic Acid by the Calcium Acetate method on the 2nd July 1943 at 13 annas per lb. ex-works, Bhadravati, and have asked for assistance in regard to certain materials and equipment required. This has been acknowledged by New Delhi in a letter of the 10th August. But this letter does not say definitely whether the offer made and the rate quoted are accepted. Sir Ramaswami Mudaliar said he would look into this matter.

8. Urea and Bakelite.

Vide note attached.

Sir Ramaswami Mudaliar said he would give this matter his earnest consideration and see what assistance could be given.

9. Manufacture of Electric Lamps.

Vide note attached.

10. Manufacture of Radio Sets.

Vide note attached.

11. Installation of a new Electrolytic Alkali Plant in Mysore.

It was explained to Sir Ramaswami Mudaliar that we had under contemplation of the establishment of an Electrolytic Alkali Plant. It was understood that 3 or 4 such plants had recently been imported under Lease/Lend to India, and he was

asked if he could arrange for one of these to be allotted to Mysore. He said he would be glad to consider this if all the plants had not already been ear-marked or given away.

12. Subsidy or aid to war-time industries.

With regard to items 4, 8, 9, 10 and 11 above, it was explained to Sir Ramaswami Mudaliar that we would like assistance of the Government of India under the "Aid to War Industries" scheme. Under this scheme, the Government of India subsidises a new industry required for war supply purposes, by paying the w whole or part of the difference between the inflated war-time price of the plant and the normal price of such plant, in order that the industry might not suffer from over-capitalisation and be unable to face post-war competition. Sir Ramaswami Mudaliar agreed to consider this point.

13. Carbide.

~~Vide note attached.~~ (will follow.)

Sir Ramaswami Mudaliar was informed that, while we were quite ready to employ our electric furnaces on Ferro-silicon or any other product that was urgently required for war purposes, we were anxious to establish production of Calcium Carbide and to win and retain the post-war South Indian market for this article to the extent of at least 2,500 tons a year, and would not like to see any monopoly established for the production of this chemical in a plant in Northern India (Birla's).

14. Coal.

The anxious situation regarding coal supplies to war industries was explained . (Vide note attached) (will follow) Sir Ramaswami Mudaliar promised to look into this and see what assistance could be given.

15. Lease/Lend Lorries.

The urgency of our requirements of lorries for war supply purposes was explained. Sir Ramaswami Mudaliar suggested

that a copy of the Mysore Government's letter to the Political Department might be sent to him, to enable him to support the Mysore Government's request, from his side. He also suggested that, likewise, a copy of the letter addressed to the Political or other Department in the matter of Tyres might be sent to him to enable him to give the matter the necessary support from the Supply Department.

27/8/1943

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